NHDES

The State of New Hampshire

Department of Environmental Services



Michael P. Nolin Commissioner

January 17, 2006

The Honorable Lawrence C. Ross, Chairman New Hampshire House of Representatives Science, Technology, and Energy Committee Legislative Office Building, Room 304 Concord, NH 03301

RE: HB 1507 An Act requiring the department of environmental services to report on and make recommendations on global warming issues in New Hampshire

Dear Chairman Ross and Members of the Committee:

The New Hampshire Department of Environmental Services (DES) appreciates the opportunity to testify regarding House Bill 1507 that, as proposed, would require DES to report on and make recommendations on global warming issues in New Hampshire. While DES supports taking actions to address this important issue, the committee should be aware that the department has already invested considerable effort and resources in such a study – thus, another report may not be necessary.

In December 2001, DES issued the "Climate Change Challenge – Actions New Hampshire Can Take to Reduce Greenhouse Gas Emissions". This report included potential strategies in several sectors, including transportation mitigation, power generation, and industrial, commercial, and residential mitigation systems to help reduce greenhouse gas (GHG) emissions. However, implementation of the measures contained in the December 2001 report is now necessary to help stem the impacts to human health and the environment from climate change resulting from GHG emissions.

DES believes that the "Climate Change Challenge" incorporates most, if not all of the principles proposed in HB 1507. I have attached a copy of the "Overview" section of the report in order for the committee to become familiar with the proposed strategies (full copies of the report are available should members of the committee seek them). However, whether or not to implement these potential strategies into a plan which the state would be committed to follow is a matter of policy which DES would defer to the legislature to determine whether to authorize or not.

It should also be noted that there are other bills that have been introduced in this session relative to GHG emissions from the electricity sector that may achieve some of the same goals as this bill proposes. Implementation of the Regional Greenhouse Gas Initiative (RGGI) program pursuant to review by a study committee (HB 1531) would help achieve carbon dioxide (CO₂) emissions reductions from the electricity sector, with

greater reductions from grandfathered plants, as called for by this bill. Implementation of a Renewable Portfolio Standard (RPS), as addressed by both HB 1146 and SB 341, would set targets for increased percentages of electricity consumption from new, clean renewable sources, as called for by this bill. Increasing systems benefit charge funding for energy efficiency programs following review by a study committee (SB 389) would increase energy efficiency, as called for by this bill.

The proposed bill also includes strategies specific to state government. By joining EPA's Energy Star Challenge program, the state is leading the industrial, commercial, and residential sector by example. Last fall, via Executive Order 2005-4, Governor Lynch committed the state to a suite of similar measures. This order requires state agencies to immediately reduce energy consumption by 10% by such measures as

- · purchase of Energy Star rated office equipment and appliances
- incorporation energy saving measures into the design of all new state facilities
- · implementation of a Clean Fleets program to address state vehicles
- appointing a state energy manager responsible for implementation of all aspects of the order

Other industrial, commercial, and residential entities may also follow that example.

The third sector that needs to be addressed is the transportation sector. The legality of states regulating GHG emissions from motor vehicles is the subject of litigation in California and other states and has yet to be decided. Similar to the other sectors, the transportation sector may be addressed at either the federal level or the state level should the General Court make that determination.

With regard to mandatory reporting of greenhouse gas emissions, it should be understood that the determination of emissions inventories from all sectors is a very complex task that may not be accomplished via mandatory reporting. Such inventories are typically calculated based on estimated emissions factors and surrogate activity levels, and it is not clear who would be responsible for reporting from sectors other than large stationary sources (i.e., what entity would be responsible for reporting emissions related to transportation or area sources, such as the combustion of residential heating oil?) The Northeast States for Coordinated Air Use Management (NESCAUM) has already compiled an inventory for DES based on data obtained from US DOE (a plot of that inventory is attached).

Lastly the Department would like to point out that should this bill be adopted, the requirement in paragraph II(a) is not consistent with the reductions timetable in 2001 NEG/ECP Climate Change Action Plan¹, which includes the following goals:

See http://www.negc.org/documents/NEG-ECP%20CCAP.PDF.

- Short-term Goal: Reduce regional GHG emissions to 1990 emissions by 2010.
- Mid-term Goal: Reduce regional GHG emissions by at least 10% below 1990 emissions by 2020, and establish an iterative five-year process, commencing in 2005, to adjust the goals if necessary.
- Long-term Goal: Reduce regional GHG emissions sufficiently to eliminate any dangerous threat to the climate; current science suggests this will require reductions of 75–85% below current levels.

In summary, DES supports prompt implementation of measures to reduce GHG emissions and to address the issue of climate change. What needs to be done is generally already known. Another report by DES may not be the most productive use of DES resources at this time.

Thank you for the opportunity to offer our comments regarding HB1507. If you have any questions regarding these comments, please feel free to contact Air Resources Division Director Robert Scott (271-1088) or Joanne Morin (271-5552).

Singarely

Commissioner

cc:

Representative Harvey Representative Ryan Senator Burling